

ARTICLE APPEARED
ON PAGE **1A**PHILADELPHIA INQUIRER
4 December 1985

Israeli spy figure may be ousted

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Associated Press

JERUSALEM — Israel has halted the secret activity of the intelligence unit involved in an espionage scandal in the United States and probably will retire the spymaster who ran it, Israeli sources said yesterday.

The sources said U.S. investigators would be allowed to interview two Israeli diplomats and the spymaster, Rafael Eitan.

A Foreign Ministry official, speaking on condition of anonymity, said Israel and the United States were still deciding when U.S. investigators might come to Israel to conduct the interviews.

The diplomats, Yosef Yagur and Ilan Ravid, were recalled to Israel shortly after FBI agents arrested a U.S. Navy analyst Nov. 21 and accused him of passing military secrets for money. Both were science attaches working for an agency called the Science Liaison Bureau, known by the Hebrew acronym "Lekem."

The Foreign Ministry official said the three men "would be interviewed, not interrogated," indicating that they could refuse to answer questions.

The sources also said the suspension of the spying operation fulfilled Israel's pledge, included in an apology extended to the United States on Sunday, to "completely and perma-

nently dismantle the unit involved."

The unit has been linked to the case of Jonathan Jay Pollard, the civilian Navy intelligence analyst who was arrested outside the Israeli Embassy in Washington.

Pollard, 31, was accused of selling military secrets to Israel for \$45,000 over the last 18 months. His wife, Anne Henderson-Pollard, 25, was arrested Nov. 22 and charged with illegal possession of national military documents.

Eitan headed Lekem, a secret Defense Ministry unit that gathered scientific and technological data through the Israeli Embassy and consulates in the United States, according to sources who spoke on condition of anonymity.

He is also a former operations director of the Mossad, Israel's foreign intelligence agency, and was an adviser to two prime ministers.

The sources said Eitan would probably leave government service quietly without public dismissal. The liberal daily Haaretz newspaper reported Eitan would retire "for health reasons."

The statement of apology by Prime Minister Shimon Peres on Sunday had promised that those responsible for the affair would be held to account.

During an hour-long telephone call he received at 3 a.m. Sunday

from U.S. Secretary of State George P. Shultz, Peres reportedly agreed to allow U.S. authorities to interview Eitan and the two diplomats.

However, the Israeli sources said yesterday that dismissing Eitan could cause a political furor in the fragile 15-month-old coalition of Peres' Labor Party and Foreign Minister Yitzhak Shamir's Likud bloc.

Eitan is a protégé of Trade and Industry Minister Ariel Sharon, a key figure in Likud. Eitan has also been active in Likud politics as a central committee member of Shamir's Herut Party.

In another development on Monday night, Sharon complained that there had been attempts to link former Prime Minister Menachem Begin and himself to the spy affair. Sharon was defense minister in Begin's government for several years.

"It's all baseless. ... I didn't know anything, and I wasn't involved," Sharon said. "You can't ignore the feeling that this is exploitation for internal political purposes."

Defense Minister Yitzhak Rabin, speaking in Jerusalem to American Jewish leaders, denied newspaper reports that Pollard supplied information on the location of the Tunis headquarters of the Palestine Liberation Organization.

Israeli jets bombed the PLO headquarters Oct. 1 in retaliation for the slaying of three Israelis in Cyprus the previous week. About 70 Palestinians and Tunisians were killed in the air attack.

"If we reach the point that Israeli intelligence will not be able by its own sources to supply this kind of information for this kind of operation, then we'll be in really bad shape," Rabin said.

About 30 Israelis demonstrated for a half-hour in front of the U.S. Embassy carrying signs urging Americans to stop spying on Israel. "Take down your spying antennas," said one sign.